

**DEPARTMENT OF GENERAL SERVICES  
OFFICE OF PUBLIC SCHOOL CONSTRUCTION**501 J STREET, SUITE 400  
SACRAMENTO, CA 95814<http://www.dgs.ca.gov/opsc>

March 19, 1997

Mass Mailer #97-04

To: All School Districts and County Superintendents of Schools

Subject: **ADVISORY ACTIONS TAKEN BY THE STATE ALLOCATION BOARD AND OTHER ISSUES**

On February 26, 1997, the State Allocation Board (SAB) apportioned approximately \$5.6 million for certain appeals requests, \$38.4 million for 60/40 projects and \$14.8 million to complete projects which received bid approval for construction. The SAB also addressed other issues as follows:

Consent Calendar

The Construction Cost Indexes for Class B and D construction increased to 1.25, effective February 1, 1997. There was no change in the Historical Savings or Furniture and Equipment indexes.

In accordance with a previous action taken by the SAB at the meeting on January 22, 1997, the construction bid approvals for projects located in Riverside and San Bernardino Counties were approved, but funds allocated for the educational technology (ET) portion of the project will not be released until a determination is made regarding the ability of the County ET program to fund these costs. As an interim measure, the Office of Public School Construction (OPSC) will release the construction funds to the districts in accordance with SAB guidelines, with the exception of the ET portion of the project. In either event, the school district's project will be fully funded with Proposition 203 funds.

Redistribution of the Balance of Proposition 203 Funds

The SAB addressed the redistribution of available Proposition 203 funds, but took no action at this time. The SAB requested that the OPSC and the SAB Implementation Committee revisit this issue with consideration of a request from the Superintendent of Public Instruction for child care funding and the need for additional funds for on-going projects cost and bid approvals. This item will be rescheduled for consideration by the SAB at the meeting on April 2, 1997.

Adjustment in the Interim Housing Allowance for Modernization Projects

This item was held over until the April 2, 1997, meeting pending further discussion of the redistribution of the balance of Proposition 203 funds.

The SAB approved a policy for SB 1872 (Greene) which allows the County Superintendent of Schools (CSS) to apply for Lease-Purchase funds for the lease of relocatable facilities for county operated community school programs. This policy also addresses reporting requirements for facilities utilized to house community pupils. All reports regarding the certification of facilities used for community schools shall be made to the SAB on Form SAB 406A. Any CSS that wishes to apply to the SAB to lease facilities for this purpose are advised to review the attached implementation policy and submit an application under those guidelines. All requests to lease facilities under the provisions of this policy will be processed by the OPSC as a priority two project unless special funding is set aside by the SAB. Should this be the case, the OPSC will process these requests as a priority one project, unless otherwise directed by the SAB. Should you have questions regarding the application process, please call Richard Gonzalez at (916) 322-1234 or via e-mail at [rgonzale@dgs.ca.gov](mailto:rgonzale@dgs.ca.gov). All questions regarding the reporting requirements may be directed to Sally Lemenager at (916) 323-0139 or via e-mail at [slemenager@dgs.ca.gov](mailto:slemenager@dgs.ca.gov).

#### Policy Implementation of AB 922

The SAB approved a policy for AB 922 (Friedman) which allows the school districts to lease portable buildings under the provisions of the State Relocatable Classroom Program for community day pupils when the district operates a program for expelled pupils. The policy also addresses reporting requirements on the facilities utilized to house the expelled pupils. All reports regarding the certification of the facilities used to house these pupils shall be made to the SAB on Form SAB 406A. Should you wish to apply to lease portables under the provisions of this law or have questions regarding the reporting requirements, please call Sally Lemenager at (916) 323-0139 or via e-mail at [slemenager@dgs.ca.gov](mailto:slemenager@dgs.ca.gov).

#### Revisions of the Lease-Purchase Reimbursement policy

A proposed policy to recognize the value of a donated site as a contribution towards the district's portion of a 50/50 project at the time the application is approved by the SAB was withdrawn. The OPSC and the SAB Implementation Committee were directed to review the policy and explore site acquisition procedures and costs in relation to 50/50 projects and report to the SAB at a later date.

#### Education Technology

An item was presented to the SAB to clarify the issues regarding the apportionment of funds for certain counties for ET programs. This item was held over until a future SAB meeting.

#### 60/40 Projects

The SAB approved approximately \$38.4 million for districts that are willing to fund 60% of the total project costs in accordance with the 60/40 program established by Proposition 203. Districts requesting 60/40 that were not funded may be eligible for "zero" approvals under the provisions of this program. The OPSC will be contacting those districts via separate letter regarding this issue.

#### Appeals

The SAB addressed 39 new construction appeal requests and made apportionments of \$5.6 million. Each district will be notified of the individual action taken by the SAB. The OPSC will be contacting those districts that either had its appeal withdrawn or the SAB requested that its appeals be held over until the April 2, 1997, meeting to arrange scheduling for the appeals at the next SAB meeting.

As a result of a specific appeal request, the SAB expanded its new construction hardship policy for a "one school" school district to be allowed hardship status if the project meets all of the following:

1. The district is a "one school" school district as shown in the latest edition of the California Public School Directory.
2. The district has entitlement for new construction area.
3. The district has a fully funded modernization project that will be completed in concert with the new construction area; thus, a savings will be realized by both the state and the district.
4. The final plans for both the modernization and new construction area have been approved by the Division of State Architect.

#### Other issues

The SAB also addressed the one year time limitation on all Phase C apportionments, regardless of the source of funding. Since there are approximately 350 projects that received Phase C funding that have not had a bid approval, the SAB is concerned that many districts will not meet the one year provision and will be requesting an extension of the time limitation policy. Should this occur, it will create a substantial workload to the OPSC. The SAB has requested that the OPSC and the SAB Implementation Committee review the time limitation policy with consideration given for "blanket" extensions when the project meets certain criteria. Should you have questions regarding the time limitation policy, please call Mike Willis at (916) 322-9448 or via e-mail at mwillis@dgs.ca.gov.

The OPSC continues to address the backlog of appeals received prior to September 26, 1996. With the exception of withdrawals or held over appeals, all of the new construction appeals received prior to September 26, 1996, have been addressed. The OPSC will be scheduling the new construction appeals (either held over or withdrawn) and all Phase C modernization appeals received prior to September 26, 1996, for consideration by the SAB at the April 2, 1997, meeting. In addition to the appeals, the OPSC continues to process bids, the releases of Proposition 203 funds and will be scheduling the High Priority Roof Replacement projects for SAB approval at the April 2, 1997, meeting. The OPSC was also directed by the SAB to begin processing "zero" requests as soon as the existing workload has been addressed. It is anticipated that Phase P and C "zero" requests for priority one new construction and modernization projects will be presented to the SAB for consideration at the April 2, 1997, meeting. Consideration for Phase P and C "zero" approvals for priority two projects will commence at the April 30, 1997, meeting.

To assure that all Phase C "zero" requests are processed in a timely manner, the OPSC will no longer accept incomplete Phase C submittals. Effective the date of this letter, any incomplete submittal requests for a Phase C apportionment or "zero" approval will be returned to the

district with an appropriate explanation of the rejection. The documents necessary and required to be included with the Phase C submittal are outlined in the Lease-Purchase Applicant Handbook (page 3-C-1, copy attached). Please note that if the Phase C request for a new construction project is being processed after three years from the initial Phase P approval, a new enrollment certification (Form SAB 411B) will be required to verify current eligibility for the project.

Districts are advised that the SAB is only accepting priority one projects under the provisions of the self-certification policy. This policy requires the use of Form SAB 450P (application checklist for each project) which ensures that all application documents are completed and included with the application package. Districts that submit priority two application requests are advised to use this Form as a checklist as any incomplete application packages will not be accepted or reviewed and will be returned to the district. Should you have questions regarding the application process, please call Richard Gonzalez at (916) 322-1234 or via e-mail at [rgonzale@dgs.ca.gov](mailto:rgonzale@dgs.ca.gov).

For your convenience, copies of the applicable agenda items regarding the issues discussed in this letter are enclosed. Should you have any questions regarding the contents of this letter, please call your Project Manager.

Sincerely,

TED W. DUTTON  
Executive Officer

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Attachments